



FISCAL YEAR 2012-13 PROPOSED BUDGET

Council Study Session
June 5, 2012



OUTLINE

- Status of Fiscal Year 2011-12
- Budget Summary
- Changes since Narrative Budget
- Budget Balancing Strategy
- Next Steps



ACTIONS TO DATE

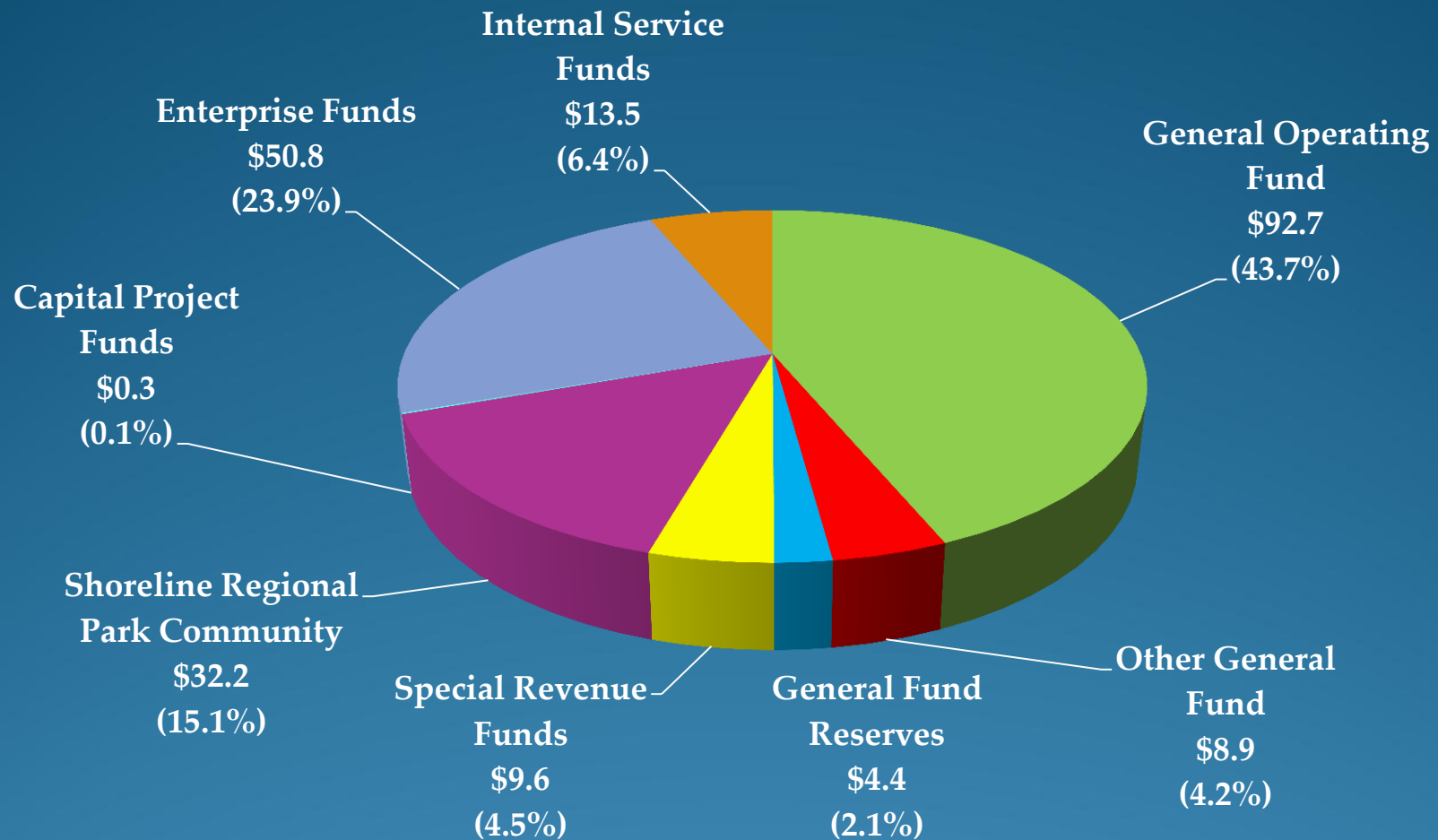
- February 14: FY2011-12 Midyear Budget Status Report
- April 10: FY2012-13 General Operating Fund Narrative Budget Report and Five Year Forecast
- May 1: FY2012-13 CIP and FY2012-13 Narrative Budget Report – Other General, Special and Utility Enterprise Funds and Reserves
- May 22: Adoption of FY2012-13 City Council Major Goals and Major Initiatives and Projects



STATUS OF FY 2011-12

- Revenues estimated slightly below budget
- Estimated expenditures below budget by \$4.0 M
 - \$1.2 M greater than the \$2.8 M Budgeted
- Estimated operating balance of \$616,000
 - Limited-period expenditures
 - General Fund Reserve
 - Compensated Absences Reserve

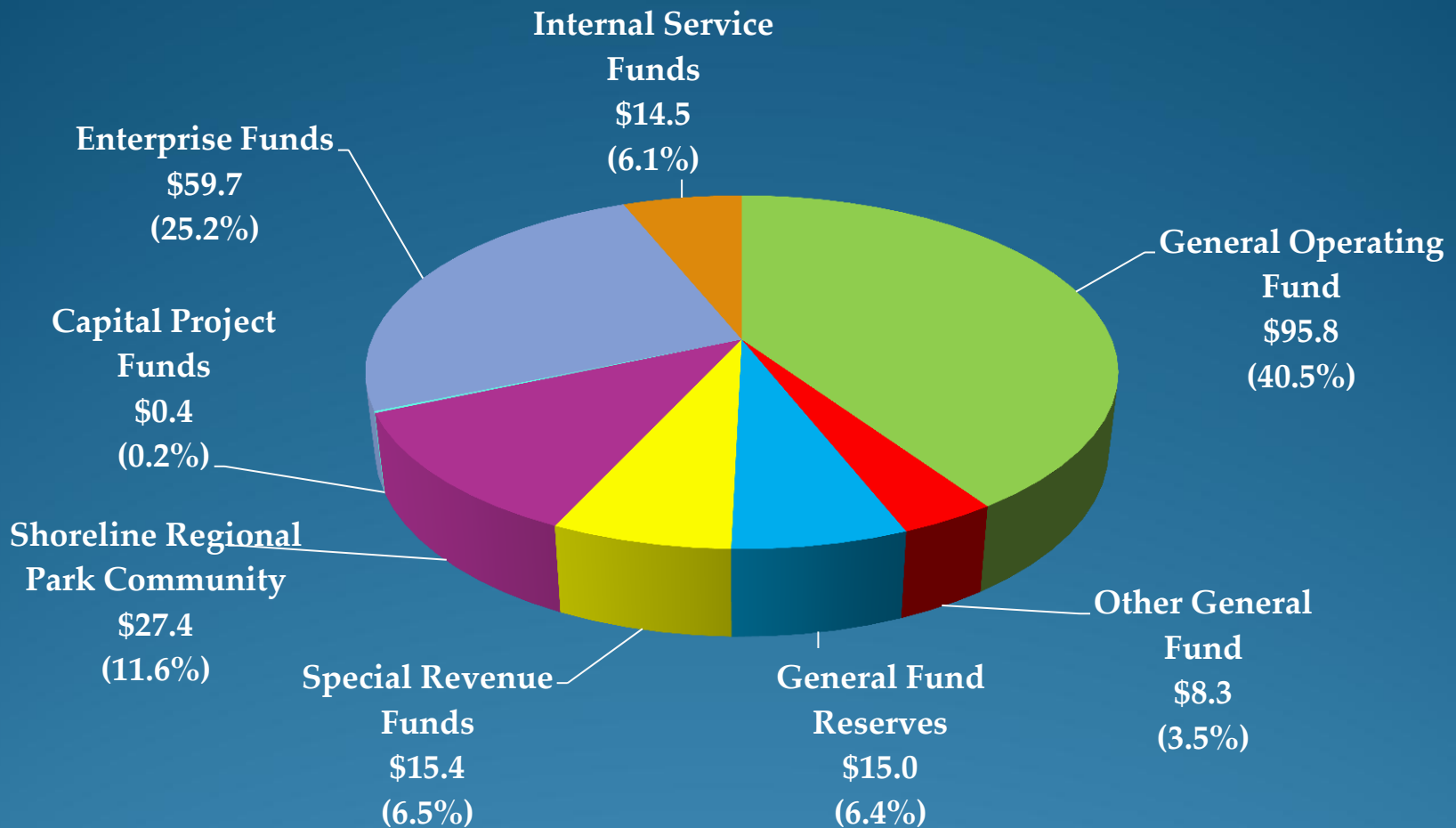
FY 2012-13 PROPOSED REVENUES – ALL FUNDS



Total Revenues – All Funds \$212.4M

(dollars in millions)

FY 2012-13 PROPOSED EXPENDITURES – ALL FUNDS



Total Expenditures – All Funds \$236.5M

(dollars in millions)

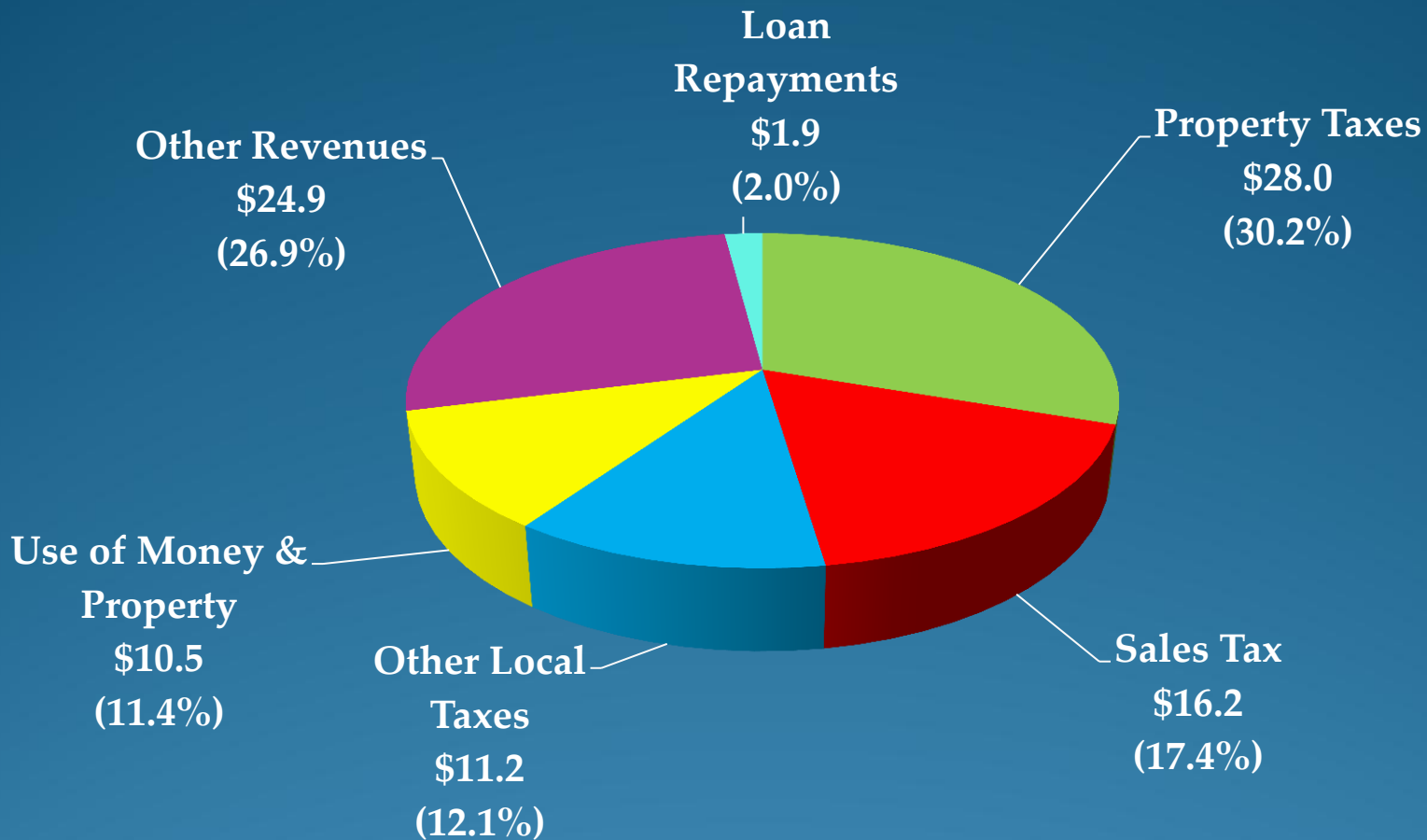


GENERAL OPERATING FUND BUDGET

	2010-11	2011-12	2011-12	2012-13
	<u>Audited</u>	<u>Adopted</u>	<u>Estimated</u>	<u>Proposed</u>
Revenues	\$ 87,240	90,990	90,400	92,736
Expenditures	<u>86,160</u>	<u>93,810</u>	<u>89,784</u>	<u>95,767</u>
EE Cost Containment	Incl.	Incl.	Incl.	600
Est. Budget Savings	<u>Incl.</u>	<u>2,848</u>	<u>Incl.</u>	<u>2,800</u>
Operating Balance	\$ 1,080	28	616	369

(dollars in thousands)


GENERAL OPERATING FUND FY 2012-13 REVENUES



Total General Operating Fund Revenues \$92.7M

(dollars in millions)

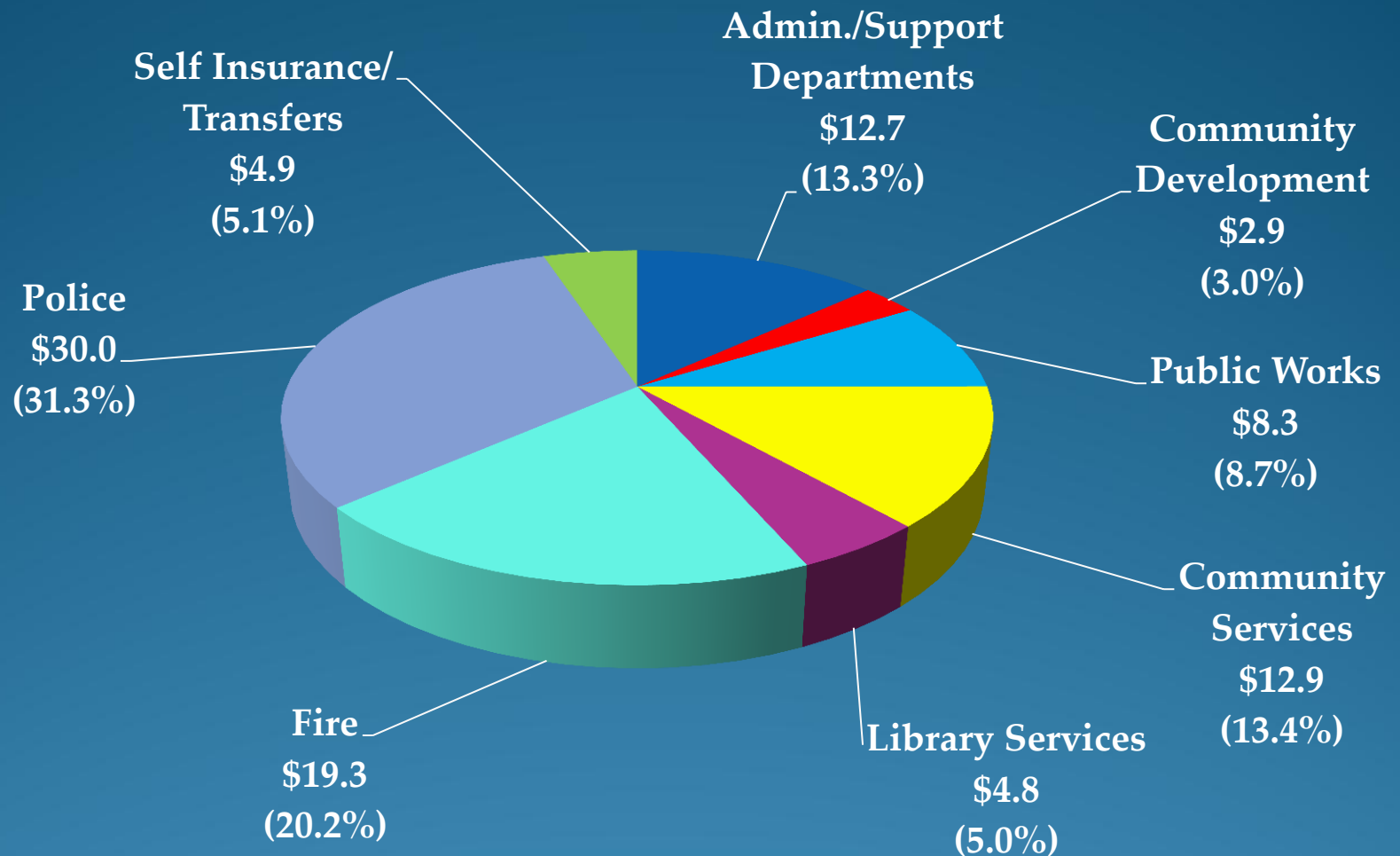
GENERAL OPERATING FUND REVENUES



	2010-11 <u>Audited</u>	2011-12 <u>Adopted</u>	2011-12 <u>Estimated</u>	2012-13 <u>Proposed</u>	2012-13 <u>Change*</u>
Property Taxes	\$ 25,142	25,987	25,715	27,977	7.7 %
Sales Tax	15,502	16,803	15,358	16,184	(3.7)%
Other Taxes	9,870	10,444	10,698	11,186	7.1 %
Use of Money & Property	10,290	10,857	10,526	10,541	(2.9)%
Other Revenues	24,361	25,005	26,209	24,954	(0.2)%
Loan Repayments	<u>2,075</u>	<u>1,894</u>	<u>1,894</u>	<u>1,894</u>	<u>0.0 %</u>
Total Revenues	\$ 87,240	90,990	90,400	92,736	1.9 %

*2011-12 Adopted to 2012-13 Proposed
(dollars in thousands)

GENERAL OPERATING FUND FY 2012-13 EXPENDITURES



Total General Operating Fund Expenditures \$95.8M

(dollars in millions)



GENERAL OPERATING FUND EXPENDITURES

	2010-11 <u>Audited</u>	2011-12 <u>Adopted</u>	2011-12 <u>Estimated</u>	2012-13 <u>Proposed</u>	2012-13 <u>Change*</u>
Salaries & Benefits	\$ 69,007	75,003	71,608	76,866	2.5 %
Services & Supplies	12,226	13,820	12,888	13,813	(0.1)%
Capital Equip/Repl.	2,253	2,111	2,412	2,337	10.7 %
Self Insurance	<u>2,674</u>	<u>2,876</u>	<u>2,876</u>	<u>2,751</u>	<u>(4.3)%</u>
Total Expenditures	\$ 86,160	93,810	89,784	95,767	2.1 %

*2011-12 Adopted to 2012-13 Proposed
(dollars in thousands)



FY 2012-13 BUDGET PROPOSALS

- Nondiscretionary Increases: \$242K
- Environmental Sustainability Coordinator: \$155K
- RDA Expenditures: \$87K
- Neighborhood Grant Funding: \$10K



CHANGES FROM THE NARRATIVE BUDGET

General Operating Fund:

Reduced health insurance premiums	\$ (400,000)
Wellness Program	60,000
Police Athletic League funding	<u>3,000</u>
Net Change:	\$ (337,000)

Other Funds:

Budget Contingency Reserve placeholder funds for Revitalization Authority costs	\$ 125,000
SMaRT final budget (not in Proposed numbers)	\$ 55,600
GIS mapping services (limited-period)	\$ 50,000
Healthcare study (limited-period)	\$ 40,000
Police Athletic League (limited-period)	\$ 7,000 13



BUDGET BALANCING STRATEGY

	<u>Narrative</u>	<u>Proposed</u>
Projected Deficit	\$(1,093)	(756)
Operational Efficiencies	100	100
Expenditure Reductions	400	400
Supplemental Revenues	25	25
Compensation Cost		
Containment	<u>600</u>	<u>600</u>
Balance	\$ 32	369

(dollars in thousands)



COMPENSATION COST CONTAINMENT

- Health, pension, and other compensation costs estimated to increase by \$1.8M in FY2012-13
- Asking employees to support *structural* cost reductions of \$600,000
- Meetings with employee organizations in process
 - Looking at costs and savings over three year period



UTILITY RATES

- Water: 8.0 percent increase proposed
- Wastewater: 5.5 percent increase proposed
- Solid Waste: 3.0 percent increase proposed



COUNCIL FEEDBACK

- Proposed Operating Budget
- Utility Rates
- Other Funds/Fees



NEXT STEPS

- June 12th Council Meeting:
 - Budget and CIP Adoption